

## Small Business Council – Meeting Record

Caltrans Headquarters Building, 1120 N Street, Basement Board Room, Sacramento, CA 95814

July 20, 2018, 8:30 a.m. to 12:00 p.m.

Action/Task	Who is responsible/ presented	By when	Status
<b>Meeting Called to Order at 8:40 a.m.</b>	Janice Salais, OBEO Assistant Director		
<b>Action Items to Date – Chair Salais</b>			
<b>Action Items from the March 2015 Meeting</b>			
<b>Action Item 11:</b> Develop a presentation on Disadvantaged Business Enterprise (DBE) goal setting (focused separately on construction and Architect and Engineer (A&E) to be delivered during meetings of the Construction and Professional Services Committees.	Esther Morris, Division of Procurement and Contracts (DPAC)/Anna Silva, OBEO	9-21-18	<b>ASSIGNED</b> – Update during the September meeting.
<b>Action Items from the January 2018 Meeting</b>			
<b>Action Item #2:</b> Request the Office of Business and Economic Opportunity (OBEO) research how to produce a final utilization report.	Anna Silva, OBEO	9-21-18	<b>ASSIGNED</b> – OBEO continues to work on this Action item; update during the September meeting.
<b>Action Items from the March 2018 Meeting</b>			
<b>Action Item #2:</b> District reports that are relevant to what the council would prefer to know about in a format that is easy to grasp, for example, use of pie charts to show results of utilization.	Mario Solis and OBEO Team Carole Ching	9-21-18	<b>ASSIGNED</b> – The District Small Business Liaisons have received and are using the new format provided by OBEO. Further update during the September meeting.
<b>Action Items from the May 2018 Meeting</b>			
<b>Action Item #1:</b> Provide the link to the CTC website listing CTC projects.	Carole Ching	06-07-2018	<b>COMPLETED:</b> The link to the CTC website sent via email to the council members.
<b>Action Item #2:</b> Provide the link to Steven Keck's presentation as recommended by Ryan Chamberlain, Chief Deputy Director, which provides a very informative, logical, explanation of how SB 1 funds are distributed.	Carole Ching	06-07-2018	<b>COMPLETED:</b> The link to Mr. Keck's presentation during the May 16 <sup>th</sup> CTC meeting was sent via email to the council members.
<b>Action Item #3:</b> Provide the SB 1 PowerPoint slides, including performance requirements, from Juanita Baier's presentation to members.	Juanita Baier/ Carole Ching	06-07-2018	<b>COMPLETED:</b> Both the PowerPoint presentations and performance requirements (federal aid project funding guidelines) were sent via email to the council members.

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<b>Action Item #4:</b> Provide the link to the 2020 Asset Management Plan to council members.	Carole Ching	6-25-2018	<b>COMPLETED:</b> Link to the Caltrans Transportation Asset Management website which provides access to the California Transportation Asset Management Plan sent to council members via email.
<b>Action Item #5:</b> Look into the development of an oversight committee to oversee the DBE Supportive Services contracts.	Anna Silva	7-20-18	<b>CLOSED –</b> Per Will McClure, FHWA is the provider of oversight for the DBE Supportive Services contracts; therefore, this AI is closed.
<b>Action Item #6:</b> In regard to SB 1 funds, are cities held to the same requirements as Caltrans?	Daniel Burke, Local Assistance	6-25-2018	<b>COMPLETED:</b> Response from Daniel Burke, Local Assistance, sent to council members via email.
<b>Action Item #7:</b> Provide the status of the DBE Guidelines being developed by OBEO.	Antoinette Wood	9-21-18	<b>ASSIGNED –</b> A draft of the guidelines has been completed and is ready for review; projected in-person and teleconference meetings to go over the guidelines to occur in late August; members will receive notice of these meetings once they are organized. Update on results during the September meeting.
<b>Action Item #8:</b> Provide regular SB 1 updates to the council members.	Janice Salais	9-21-18	<b>ASSIGNED –</b> OBEO will be referring council members to the SB1 website on a once a month basis to get the latest updates on projects and other SB1 activities.
<b>Action Item #9:</b> Provide a document that clarifies the language and the baselines for SB 1 and SB 103.	Janice Salais	9-21-18	<b>ASSIGNED:</b> Chair Salais has prepared a document which clarifies language and baselines for SB1 and SB103. Chair Salais clarified the 25% for SBs is aspirational; however, SB1 makes it mandatory for Caltrans. The document will be sent to members for further discussion during the September meeting.
<b>Action Item #10:</b> Disseminate information the Pilot Incubation Program to Caltrans districts.	Matthew Ajiake	9-21-18	<b>ASSIGNED –</b> Update during the September meeting.
<b>Action Item #11:</b> Invite Debbie Lumpkin, Inspector General's Office, to provide a presentation.	Debbie Lumpkin	9-21-18	<b>ASSIGNED –</b> Ms. Lumpkin is scheduled to present during the September council meeting at the District 7 Office in Los Angeles.
<b>Action Items from the July 2018 Meeting</b>			

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<b>Action Item #1:</b> Send SBC members the upcoming dates for Caltrans hiring events.	Carole Ching	8-17-18	<b>CLOSED</b> – District 8 Hiring Event information sent to council members, including specifics about the event. Carole Ching will be sending council members information about hiring events on a monthly basis.
<b>Action Item #2:</b> Inform SBC members of when DBE SS contracts are executed and provide contact information.	Anna Silva/ Carole Ching	9-21-2018	<b>ASSIGNED</b> – update during the September meeting.
<b>Action Item #3:</b> Send notices of management vacancies in Caltrans.	Carole Ching	9-4-18	<b>CLOSED</b> – Link to the California Department of Human Resources sent to council members to set up individual accounts to receive notices of any managerial vacancies for Caltrans and/or any state agency.
<b>Welcome and Introductions</b> – Chair Salais			
<b>Agenda review and remarks</b> – Chair Salais			
<b>Action Item review</b> – Chair Salais; refer to the first three pages of this meeting record.			
<b>A. Disparity Study update</b> – Anna Silva, OBEO <ol style="list-style-type: none"> <li>The most current Disparity Study was released; public comments were accepted until June 29. Strategies to ensure this information went out to internal and external stakeholders included webinars conducted by OBEO.</li> <li>OBEO will be providing goal and methodology to FHWA by August 1 of this year.</li> </ol>			
<b>B. Highlights from the Director’s Office</b> – Ryan Chamberlain, Chief Deputy Director, for Laurie Berman <ol style="list-style-type: none"> <li>The Legislature has approved the appointment of Laurie Berman as Director of Caltrans.</li> <li>Current leadership changes:               <ol style="list-style-type: none"> <li>Carrie Bowen, District 7 Director, has retired. Shirley Choate is currently the Acting District 7 Director.</li> <li>Cory Binns has been appointed District 11 Director.</li> </ol> </li> <li>Caltrans anticipates up to 50% loss of its workforce as its workforce ages. The members requested Caltrans send notices to council members when there are management vacancies.</li> <li>District 10-year plan for asset management – Mr. Chamberlain will be signing all twelve districts’ plans.               <ol style="list-style-type: none"> <li>Amount of funding per district based on the amount of lane miles.</li> <li>Each district must develop a list of projects to be executed over this 10-year period.</li> <li>Plans will be updated on a quarterly basis.</li> <li>Re: SB1 – each district has designated targets and SB1 performance measures; project lists will be posted on the SB1 website.</li> </ol> </li> <li>Council members were encouraged to reach out to the various District Directors and District Small Business Liaisons for more details on SB1 plans.</li> <li>District 2 Small Business Liaison, Becky Alexander, encouraged districts to not make projects so large that SBs would not be able to participate.</li> </ol>			

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7. Re: SB1 vote in November – If SB1 is voted down, Caltrans will adjust its hiring accordingly. The agency anticipates there will remain a need to hire due to the rate of attrition. Council members requested talking points to help in grassroots advocacy efforts – Chair Salais will consult with the Caltrans Public Information Office.			
<b>C. FHWA update – Will McClure</b>			
1. Mr. McClure attended the Commodities Committee meeting, which he stated went well. He enjoyed the inclusion of contractors at the meeting and being able to hear their comments/feedback.			
2. Mr. McClure’s division has been reorganized - Internal compliance review team developed – Will be conducting Commercially Useful Function (CUF) inspections. This team is interdisciplinary, including engineers. A random sampling of projects will be selected for review.			
3. DBE Supportive Services Program – Contracts are based on pay for performance in which contractors are paid for each service they deliver.			
a. Humboldt State University – First school; starting with 13 students in the Business Development area; this is the first time Humboldt State has been a recipient of this grant.			
b. Goal is to have participating businesses on Caltrans contracts.			
c. Utilizing the Ladders grant monitoring matrix.			
d. Two more campuses will be added to the program.			
e. Updates on this program will be provided to the council on a regular basis.			
4. OJT Supportive Services			
a. The contract for Ironworkers has been executed; there has been direct enrollment for Ironworkers.			
b. Doing great things with the Carpenters Union apprenticeship programs.			
c. Currently at 300 individuals from two apprenticeship programs.			
5. National Summer Transportation Institute			
a. 145 students participating from four universities.			
b. 40 students will be participating in the National Flight Academy later this month.			
<b>D. DGS Update – Andysheh Dadestan for Tanya Little</b>			
Mr. Dadestan discussed the financial limits and increases for SBs and Micro-Businesses under SB 605.			
<b>E. District 1 Update – Rebecca Alexander for District 1 Director, Matthew Brady</b>			
Refer to the District 1 report posted on the OBEO web page.			
Additional comments:			
Ms. Alexander noted the district’s outreach event scheduled for August 7 and 8 in Ukiah and Eureka.			
<b>F. District 2 Update – Dave Moore, District 2 Director</b>			
Refer to the District 2 report posted on the OBEO web page.			
Additional comments:			

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<ol style="list-style-type: none"> <li>1. Procurement Fair, 3/7/18, in Sacramento.</li> <li>2. Collaborative working relationship between Districts 1, 2 and 3 – The three districts work closely together and communicate with each other to address concerns. The CalMentor Program is an example of the three working together, as representatives from all three are on the program's steering committee.</li> <li>3. Re: Utilization and goal – Mr. Moore responded both are commitments; the district has been looking at deficiencies and how to best mitigate them. Mr. McClure added commitment at award might not get utilized until well into the contract. Utilization is determined by the contracted amount of the work being handled by DBEs. Depending on how long the project takes to be completed, actual utilization could take years to determine.</li> <li>4. Carole Ching will send out a survey and can get input at that time.</li> <li>5. Re: projects that appear in the SB1 report – Each district works with the Project Management group to determine a list of SB1 related projects; each district decides which projects to list. Rather than include every SB1 related project, Mr. Chamberlain prefers the districts provide links to the SB1 database as opposed to having each district provide individual district lists.</li> </ol>			
<p><b>G. District 3 Update</b> – Stacie Gandy, District 3 Small Business Liaison, for District Director Amarjeet Benipal Refer to the District 3 report posted on the OBEO web page. Ms. Gandy reviewed the current and projected projects the district is involved with, as well as upcoming outreach activities.</p>			
<p><b>H. District 4 Update</b> – Dan McElhinney Refer to the District 4 report posted on the OBEO web page. Additional comments:</p> <ol style="list-style-type: none"> <li>1. The district has a lot of work to do.</li> <li>2. SBC meetings continue to be a priority for the district.</li> <li>3. Mr. McElhinney reported on DBE and SB participation, CalMentor progress, hosting a meeting of the San Francisco African American Chamber of Commerce, also a member of the SBC.</li> <li>4. The district is expanding its outreach outside of Oakland to other Bay Area cities.</li> <li>5. Mr. McElhinney mentioned the success of OBEO's contractor education sessions.</li> <li>6. Request was made to list the goal for projects – Chair Salais said she will consider putting the DBE goal on the project list.</li> </ol>			
<p><b>I. District 5 Update</b> – Jeanell Bradley, District 5 Small Business Liaison, for District 5 Director Tim Gubbins Refer to the District 5 report posted on the OBEO web page.</p>			
<p><b>J. District 6 Update</b> – Shari Ehlert Bender, District 6 Director Refer to the District 6 report posted on the OBEO web page. Additional comments:</p> <ol style="list-style-type: none"> <li>1. The district's current focus is on truck corridor pavement, preservation, and rehabilitation, and SB1 projects.</li> <li>2. Ms. Ehlert Bender acknowledged an increase in African American firm participation.</li> </ol>			

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<b>K. District 7 Update</b> – Shirley Choate, Acting District 7 Director Refer to the District 7 report posted on the OBEO web page. Additional comments: <ol style="list-style-type: none"> <li>25% of Minor B contracts went to SBs.</li> <li>The SB1 table featured in the handout is by contract.</li> <li>SB1 outreach focuses on conveying the benefits of the funding stream, not just talking points.</li> <li>Meet the Buyers 2018 – This was a maintenance procurement fair held in partnership with Districts 8 and 12 – District 7 will be tracking results 90 days after the fair to determine outcome.</li> <li>SB A&amp;E Mentoring Program – Districts 7, 8, and 12 have developed this joint program.</li> <li>Set aside for DVBE to address the low numbers in District 7 – currently exploring ways to accomplish this.</li> <li>Mr. McClure noted getting firms certified as DBEs is a better approach to increase DBE participation than trying to change federal regulations.</li> </ol>			
<b>L. District 8 Update</b> – Adriana Surfas, District 8 SB Unit Manager Refer to the District 8 report posted on the OBEO web page.			
<b>M. District 9 Update</b> – No representative. Refer to the District 9 report posted on the OBEO web page.			
<b>N. District 10 Update</b> – Dennis Agar, District 10 Director Refer to the District 10 report posted on the OBEO web page. Additional comments: <ol style="list-style-type: none"> <li>The Look Ahead reports show SB opportunities.</li> <li>The district handout includes SB1 related projects over the next two years.</li> <li>How to Do Business with Caltrans workshop – Recent event drew 15 participants; next workshop will be held on 7/25/18 in Merced.</li> <li>Procurement Fair planned for September – Collaboration between Districts 5, 6, and 10; will be held in Stockton,</li> <li>Outreach Boot Camp – purpose is to prepare prime contractors and subcontractors for Caltrans contracts.</li> <li>Mr. Agar requested assistance in connecting with minority chambers of commerce, which representatives of the Black Chamber offered to provide.</li> </ol>			
<b>O. District 11 Update</b> – Cory Binns, District 8 Director Refer to the District 10 report posted on the OBEO web page. Additional comments: <ol style="list-style-type: none"> <li>The district has been conducting several outreach events – At least one outreach event per month if not more.</li> <li>African American contractors – The district has identified three African American contractors, which the district intends to increase.</li> <li>14<sup>th</sup> Annual Procurement and Resource Fair scheduled for September.</li> </ol>			

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<b>P. District 12 Update</b> – Gerardo De Santos, Acting District 12 Director Refer to the District 11 report posted on the OBEO web page.			
<b>Q. Meeting Record Approval</b> – May 18, 2018 meeting record A motion was made and seconded to approve the May 18, 2018 Meeting Record; all ayes, no nays, no abstentions; no corrections or changes; the May 18, 2018 meeting record was approved.			
<b>R. Commodities Committee</b> – Zeke Patten, Chair Inviting primes to attend the Commodities Committee meeting – This was achieved during the July meeting; intent was to help primes improve relationships with DBEs. Results of this meeting were good; the primes attending were supportive of an event that would bring primes, DBEs, and SBs together. DBEs and SBs would each have an opportunity to be showcased, introducing who they are – not necessarily what they sell. Mr. Patten stated he is committed to coordinating such an event, which he hopes will become annual. The primes invited to attend such an event will be advised to bring representatives who are estimators and decision makers. Mr. Patten also noted SBs need to learn how to interact effectively with primes.			
<b>S. Construction Committee</b> – Debbie Hunsaker, Chair (teleconference) 1. Currently working on prompt pay, change orders, smaller contracts, and workforce development. 2. The committee plans to request a speaker for prompt pay, emergency work, and change orders. 3. Materials on hand has been closed, as a new spec has been published. 4. Also discussing insurance costs for workforce development.			
<b>T. Local Assistance/Professional Services Committee</b> – Eddy Lau, Chair 1. Standardized reporting forms for participation data – There is a need for this at the district level; Mr. Lau cited the example of a consulting firm that has been contracted to provide a compliance review audit on 19 local agencies. 2. Performance review of prime contractor performance should be considered. 3. Identification of DBEs in the CUCP database who have received any federal funds. 4. Program dedicated specifically to Micro-Small Business – Request to have both Caltrans and DGS have such a program.			
<b>U. African American DBE Participation Work Group</b> – Eddy Lau In addition to discussing the committee’s regular business, Mr. Lau noted Lea Simpson, OBEO, provided a brief presentation to the committee about her recent project in which she is researching the following: a) why the level of African Americans going into the construction and A&E business and/or becoming DBE certified has been low; and b) what are the barriers to becoming DBE certified. Ms. Simpson requested all council members assist in this endeavor, the end product of which will be a report which will take approximately 90 days to complete. Additional comments: 1. In regards to A&E firms, engineers need to be educated as such. 2. DBEs need to build relationships with primes.			

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3. Outreach event in the San Diego area – not yet coordinated.			
<b>V. SB1 Work Group</b> – Matthew Ajiake, Chair Mr. Ajiake stated an action plan will be formulated in approximately two weeks.			
<b>W. OBEO Reports</b> – Anna Silva Currently Caltrans is at 12.2% of its DBE commitment. The reports will be sent to council member two days prior to the full council meeting. Ms. Silva also mentioned the OBEO website now features a tutorial on how to read the reports.			
<b>X. New Business</b> – Chair Salais Please refer to the Action Item log found on pages 1 to 3 of this document.			
<b>Y. Public Comment</b> – Chair Salais The Black Chamber of Commerce event in Orange County is requesting a presentation and discussion on SB1.			
<b>Meeting Adjourned at 11:30 a.m.</b>			
<b>Next Meeting:</b> September 21, 2018, in District 7 Office; more information will be sent about this meeting in August.			

#### DOCUMENTS included in the meeting packet and/or distributed at the meeting:

- Meeting agenda
- Draft of meeting record, May 18, 2018 SBC meeting
- Award Tracker, June 2018
- OBEO Reports:
  1. DBE Commitment on Federal-Aid Projects
  2. DBE Commitment at Award by District
  3. DBE Commitment at Award on Federally Funded Major Construction Contracts
  4. DBE Commitment at Award on Federally Funded A&E and Minor B Contracts
- Districts 1 to 12, SB Update/Look Ahead Reports (also available online, OBEO website, Small Business Council web pages)

#### PRESENT

##### Council Members:

1. Aguilar, Annie
2. Ajiake, Matthew
3. Cunningham, Lee
4. Garcia, Rodrigo
5. Goehring, Nicole (Alternate)
6. Guerrero, Paul
7. Hou, Johnathan
8. Hunsaker, Debbie (Teleconference)
9. Lau, Eddy



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10. Leung, Albert
11. Llewellyn, Rebecca (Teleconference)
12. Louie, Frank
13. Marquez, Shannon
14. McGhee, James (Alternate)
15. Ortiz, Leonard (Teleconference)
16. Patten, Zeke
17. Stone, Aubry [Teleconference]
18. Touré, T'Shaka
19. Varma, Pete

### **Caltrans Staff:**

1. Chamberlain, Ryan, Chief Deputy Director
2. Salais, Janice, Assistant Director, OBEO & Council Chair
3. Agar, Dennis, District 10
4. Alexander, Rebecca, District 2
5. Bata, Amer, District 11
6. Binns, Cory, District 11
7. Bradley, Jeanell, District 5 (Teleconference)
8. Burke, Daniel, Local Assistance
9. Choate, Shirley, District 7
10. De Santos, Gerardo, District 12
11. Ehler Bender, Shari, District 6
12. Gandy, Stacie, District 3
13. Gongora, Michelle, District 11 (Teleconference)
14. Gouthier, Cheri, District 11 (Teleconference)
15. Grimaldi, William, OBEO
16. Himes, Amanda, District 6
17. Knudsen, David, District 8 (Teleconference)
18. Maloney, Pat, Construction
19. McElhinney, Dan, District 4
20. Miglino, Marylee, OBEO
21. Moore, Dave, District 2

22. Morris, Esther, DPAC
23. Myers, John, OBEO
24. Okpala, Meshack, District 3
25. Sah, Kamal, Local Assistance
26. Silva, Anna, OBEO
27. Simpson, Lea, OBEO
28. Stewart, Deb, OBEO
29. Surfas, Adriana, District 8
30. Tuttle, Norman, OBEO
31. Williams, Curtis, OBEO
32. Wood, Antoinette, OBEO

### **Guests:**

1. Chukwuneta, Arinze V., EDH Consulting & Contracts
2. Dadseth, Andysheh, DGS
3. Lumpkin, Debbie, IG's Office
4. Mammano, Vincent, FHWA0
5. McClure, Will, FHWA